

Before the
Federal Communications Commission
Washington D.C. 20554

In the Matter of)
)
Federal-State Joint Board on Universal) CC Docket No. 96-45
Service; Review of Lifeline and Link-Up)
Service for All Low-Income Consumers)

COMMENTS
OF THE
GILA RIVER TELECOMMUNICATIONS, INC.

I. Introduction

Currently, only 46.6%¹ of American Indian households on tribal lands have telephone service—while 94% of the rest of America have telephone service. This is largely due to Indian Country's lack of infrastructure, rural and isolated geography, low population densities, average per capita income rate of \$4,478²--which is well below the federal poverty threshold of \$ 8,590--and an average unemployment rate of 42%³--which is well above the national average of 4.5%.⁴ Yet, the bottom line is that the majority of Indian Country, in addition to being dangerously isolated from emergency and critical health services, is also being socially, culturally and economically excluded from the emerging digital backbone of America.

¹ Twelfth Report and Order, *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership in Universal and Underserved Areas, Including Tribal and Insular Areas*, CC Docket No. 96-45. However, there is a lack of current and accurate data regarding telephone penetration rates in Indian Country as a whole. Furthermore, telephone penetration rates vary, sometimes dramatically, from tribe to tribe and from community to community within the jurisdictional boundaries of a single tribe. GRTI urges the FCC to make a concerted effort to collect accurate data regarding telephone penetration rates in Indian Country and make such information readily available to the public.

² Ibid.

³ Ibid.

⁴ Economic Development Administration, *Assessment of Technology Infrastructure in Native Communities*, 1999.

In June 2000, the Commission made an attempt to address the low rate of telephone penetration in Indian Country when it adopted the Common Carrier Order designed to promote telephone subscribership in Indian Country.⁵ The Order expanded Lifeline by providing eligible households on tribal lands with basic phone service for as low as one-dollar-a-month. The Order also expanded Link-Up to as much as \$100 for the initial connection charges and line extension costs associated with initiating phone service.⁶ Enhanced Lifeline/Link-Up is not a magical silver bullet for Indian Country's telecommunications woes, but it does provide Indian Country with invaluable resources to improve telephone penetration.

However, in spite of the opportunities provided by Enhanced Lifeline/Link-Up, enrollment remains lower than what it should be—especially when considering that the vast majority of households on tribal lands have incomes well below the federal poverty guidelines. This problem is largely due to the following: 1) eligibility is determined by participation in federal means-tested programs⁷ rather than being determined solely by income; and 2) the failure of carriers to provide appropriate information regarding Lifeline/Link-Up to the tribal communities in which they serve.

⁵ Twelfth Report and Order, *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership in Universal and Underserved Areas, Including Tribal and Insular Areas*, CC Docket No. 96-45.

⁶ Ibid.

⁷ Bureau of Indian Affairs (BIA) general assistance program, tribally-administered Temporary Assistance for Needy Families, Head Start (only for those meeting its income-qualifying standard), and the National School Lunch Program's free lunch program.

Therefore, Gila River Telecommunications, Inc., (GRTI) urges the Commission to modify the eligibility criteria for Lifeline/Link-Up on tribal lands to include:

- Households that are eligible for federal means-tested programs, but do not actually participate in them.
- Household income as an additional means to qualify for Lifeline/Link-Up on tribal lands. In this respect, GRTI urges the Commission to expand Lifeline/Link-up eligibility on tribal lands to include consumers with incomes up to 150 percent of the federal poverty guidelines.

Furthermore, GRTI urges the Commission to allow consumers to self-certify their eligibility, without providing proof of income, so that administrative burdens are reduced for consumers and telecommunications service providers.

GRTI also urges the Commission to adopt additional modifications to Link-Up by expanding support from \$100 to \$200 for the initial hook-up of telephone service to eligible households on tribal lands.

Finally, GRTI urges the Commission to adopt additional outreach requirements to ensure that carriers serving tribal lands consult with local tribal governments to develop appropriate methods of promoting enrollment in Lifeline/Link-Up on tribal lands. To this end, GRTI urges the Commission to take appropriate action against those

carriers that fail to consult with tribal governments located within their service areas and fail to provide adequate outreach to consumers on tribal lands.

II. Modifying the existing Lifeline/Link-Up rules

A. GRTI urges the Commission to modify the existing eligibility criteria for Lifeline/Link-Up on tribal lands to include households that are eligible for federal means-tested programs, but do not actually participate in them.

The average household income within the Gila River Indian Community is \$12,487 (4.65 persons per household).⁸ Accordingly, 87%⁹ of the households are currently eligible for at least one of the federal means-tested programs currently used to determine eligibility for Lifeline. However, only 33% of the 1800 households in which GRTI provides service are actually enrolled in Lifeline. This means that as much as 54% of households with telephone service could be eligible, but have not actually enrolled in the Lifeline program.

GRTI believes that if households were allowed to qualify for Lifeline/Link-Up simply by being eligible for federal means-tested programs, rather than actually participating in

⁸ Gila River Indian Community Office of Planning and Evaluation, Economic Survey, 1999.

⁹ Ibid.

them, Lifeline enrollment would increase substantially. GRTI believes that the participation requirement eliminates the majority of income-eligible households because the vast majority of such families do not participate in means-tested programs. There are a number of reasons why this is the case: 1) the stigma associated with receiving public assistance; 2) a general suspicion of federal programs and lack the trust and confidence in the programs being offered— especially among elders; and, 4) the administrative barriers (lengthy applications, frequent re-certification meetings, etc.) which accompany enrollment in such programs.¹⁰

GRTI also believes that eliminating the participation requirement would benefit Gila River Indian community elders by providing a more convenient and compelling means of enrollment.

**B. GRTI urges the Commission to modify the
eligibility**

criteria for the Lifeline/Link-Up programs on tribal lands to include Household income as an additional means to qualify for Lifeline/Link-Up on tribal lands. In this respect, GRTI urges the Commission to expand Lifeline/Link-up eligibility on tribal lands to include consumers with incomes up to 150 percent of the federal poverty guidelines.

¹⁰ Ellis Jacobs and Ed Lazere, *The Need to Expand Lifeline Eligibility*, December 1, 2000, p. 2.

As previously stated, the average household income within the Gila River Indian Community is \$12,487 (4.65 persons per household)¹¹ and 87%¹² of all households within GRTI's service area are income-eligible for at least one federal means-tested program. In addition, as much as 54% of the households with telephone service are income-eligible, but have not enrolled in Lifeline. GRTI believes that such under-enrollment can be corrected in a timely manner by adding income-based standards to the existing Lifeline eligibility criteria.

Vermont and Tennessee serve as successful models for using income-based eligibility criteria. After implementing income-based eligibility, Vermont experienced an increase in enrollment of 26% between 1998 and the end of 2000.¹³ Similarly, Tennessee experienced an increase in enrollment of 31% between 1998 and 1999 after implementing its income-based eligibility criteria.¹⁴

Due to the higher percentage of low-income households within Indian Country in general, and the Gila River Indian Community in specific, these households stand to benefit from income-based eligibility even more than the households of Vermont and Tennessee. Furthermore, income-based eligibility would eliminate many of the administrative burdens (lengthy applications, frequent re-certification

¹¹ Gila River Indian Community Office of Planning and Evaluation, Economic Survey, 1999.

¹² Ibid.

¹³ Vermont Department of Public Utilities, Annual Report of the Lifeline Telephone Program: Field Compliance with 30 V.S.A. § 218(c)(4) and Including the Vermont Telecommunications Relay Service and the Link Up Vermont Program, 12 (Mar. 1, 2001).

meetings, etc.) placed upon consumers, and thereby, increase the probability of their enrollment.

Therefore, GRTI believes that elders stand to benefit the most from the establishment of income-based eligibility. This action would provide a more convenient and comprehensible means of enrolling in Lifeline/Link-Up for elders who are income-eligible but do not actually participate in a federal means-tested program. **The establishment of income-based eligibility would represent a good faith effort, on the part of the Commission, to meet the needs of elders who easily become disenfranchised and frustrated when they are forced to submit to multiple requirements to receive assistance in paying for a single basic service that is entirely necessary for them to stay connected with family and emergency health services.**

Furthermore, GRTI urges the Commission to establish its benchmark for income-based eligibility so that households earning up to 150 percent of the federal poverty guidelines would be eligible to participate in Lifeline. This benchmark would ensure that the most vulnerable members of the Gila River Indian Community, elders with fixed incomes slightly above 100% of the federal poverty guidelines, would still be eligible for Lifeline assistance.

C. GRTI urges the Commission to modify the eligibility

¹⁴ Tennessee Regulatory Authority, Annual Report for the Period July 1, 1999 to June 30, 2000 at 16.

criteria for Lifeline/Link-Up on tribal lands to allow consumers to self-certify their eligibility without providing proof of income.

GRTI believes that allowing households to self-certify their eligibility without providing proof of income would serve as the most effective and efficient mechanism for reversing the severity of under-enrollment in Lifeline/Link-Up in Indian Country in general, and within the Gila River Indian Community in specific. GRTI believes that the Commission has provided Indian Country with a powerful tool for increasing its meager level of telephone penetration with Enhanced Lifeline/Link-Up. However, gaining access to these services have proven to be unnecessarily difficult, burdensome and not at all compelling. **In taking the additional step of establishing self-certification without proof of income, the Commission would extend the powerful tool of Enhanced Lifeline/Link-Up to a more significant portion of tribal lands, and thereby increase the probability of expanding telephone penetration in a timely and efficient manner.**

GRTI also believes that the importance of establishing self-certification is especially true for elders who become easily disenfranchised with complicated and laborious enrollment procedures. **Therefore, the establishment of self-certification without proof of income would represent a good faith effort, on the part of the Commission, to provide elders with a simple and efficient means of acquiring, and**

or, maintaining a basic service that is entirely necessary for them to stay connected with family and emergency health services.

Furthermore, GRTI believes that modifying the Lifeline/Link-Up enrollment rules to include self-certification would further the Commission's goal of facilitating administrative efficiency. Unlike complicated enrollment procedures for federal means-tested programs, self-certification is simple and fast.

California provides an excellent model for Indian Country in regards to the use of self-certification without income verification for enrollment.¹⁵ California also has the largest percentage of households enrolled in Lifeline within the United States,¹⁶ which is precisely the type of aggressive enrollment mechanism that Indian Country desperately needs.

The California PUC has observed, the costs to verify income and remove potential abusers exceeds lost revenues from the few that might abuse the program. In fact, the Commission has previously acknowledged that " studies indicate that the cost of verifying eligibility exceed losses resulting from fraud and abuse." ¹⁷ Therefore, self-certification without verification should be employed to

¹⁵California Public Service Commission, *Order Instituting Rulemaking on the Commission's Own Motion to Consider Modifications to the Universal Service Lifeline Telephone Service Program and General Order 153*, Decision No. 00-01-028, Rulemaking No. 98-09-005 (Filed September 3, 1998) 399, paragraph 76, (Oct. 5, 2000).

¹⁶ The Consumer Energy Council of America, *Universal Service: Policy Issues for the 21st Century*, March 2001, p.33.

¹⁷ First Report and Order at 8975 (¶ 376), *citing* Letter from Jack Leutza, California Public Utilities Commission to William F. Caton, Fed. Comm. Comm. (Jan. 28, 1997).

achieve the highest telephone penetration in Indian Country while keeping administrative costs low.

In addition, GRTI strongly believes that fraud associated with self-certification without proof of income would be far less existent within Indian Country than outside of Indian Country because the vast majority of households have incomes below or slightly above the federal poverty threshold. As stated previously, the average per capita income rate in Indian Country is just \$4,478,¹⁸ while the average household income within the Gila River Indian Community is just \$12,487 (4.65 persons per household).¹⁹ Income indicators such as these provide ample evidence that fraud associated with self-certification would be extremely minimal.

D. GRTI urges the Commission to expand Link-Up from \$100 to \$200 for the initial hook-up of telephone service to eligible households on tribal lands.

As stated previously, only 46.6%²⁰ of American Indian households on tribal lands have telephone service— while 94% of the rest of America have telephone service. **GRTI believes that the most significant barrier to increasing the telephone penetration rate in Indian Country is the high cost households pay to establish the initial service.** For instance, within GRTI's service area, the typical cost of

¹⁸ Ibid.

¹⁹ Gila River Indian Community Office of Planning and Evaluation, Economic Survey, 1999.

²⁰ Twelfth Report and Order, *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership in Universal and Underserved Areas, Including Tribal and Insular Areas*, CC Docket No. 96-45.

establishing initial service for households ranges from \$350 to \$2200. Universal Service high cost support eases much of this burden for carriers, but households are still left with considerable costs. In fact, this high cost has proven to be so far beyond the reach of households within the Gila River Indian Community that GRTI has been forced to absorb all costs beyond the \$100 support that Enhanced Link-Up currently provides to ensure that the best interests of the community are met. However, with the exception of tribal carriers, carriers serving Indian Country do not operate with a mandate to provide for the best interests of the communities they serve and are unwilling and unable to absorb such high costs. As a consequence, many households are forced to go without telephone service.

Therefore, GRTI urges the Commission to expand Link-Up from \$100 to \$200 for the initial hook-up of telephone service to eligible households on tribal lands. Expanding Enhanced Link-Up would help to ease the financial burden for households, and thereby, increase a household's ability to afford the initial set up of such service. For a significant percentage of households, providing an additional \$100 dollars to Enhanced Link-Up could prove to be the determining factor in whether or not a household is able acquire telephone service.

3. Outreach

A. GRTI urges the Commission to adopt additional outreach

requirements to ensure that telecommunications carriers serving tribal lands consult with local tribal governments to develop appropriate methods of promoting increased consumer enrollment in Lifeline/Link-Up on tribal lands. To this end, GRTI urges the Commission to take appropriate action against those carriers that fail to consult with tribal governments located within their service areas and fail to provide adequate outreach to consumers on tribal lands.

One of the significant contributing factors to the unusually low percentage of Indian Country households enrolled in Lifeline/Link-Up is due to the failure of carriers to provide appropriate information regarding the Lifeline/Link-Up programs to the tribal communities in which they serve. Furthermore, the manner in which carriers disseminate information on tribal lands about the Lifeline/Link-Up programs also significantly contributes to unusually low enrollment.

GRTI has, through its own actions, provided many examples of how carriers can work with tribal governments in the communities in which they serve to actively promote public awareness of the Lifeline/Link-Up programs and the benefits these programs are capable of providing eligible low-income consumers. The following are examples of some of the steps that GRTI has taken:

- Consulting with elected tribal officials and providing them with detailed information.

- Sharing information at community meetings.
- Mass mailings to all households in its service area.
- Posting flyers at community centers of interest.
- Door-to-door canvassing.
- A combination of written and oral communications targeted specifically at elders.
- Regularly publishing full page ads in the tribal news paper.
- Sharing information with other tribal representatives at regional and national meetings.

GRTI believes that such outreach efforts are necessary on tribal lands because of the unique social and cultural attributes of tribal members. GRTI believes that it takes multiple attempts on the part of carriers to convince tribal community residents that they are being invited to participate in a program that is valid and beneficial to them. Often times, tribal members have a suspicion of federal programs and lack the trust and confidence in the programs being offered. This mindset typically leads to under-enrollment. This is especially true among elders.

Therefore, GRTI urges the Commission to adopt additional outreach requirements to ensure that carriers serving tribal lands consult with local tribal governments to develop appropriate methods of promoting increased consumer enrollment in Lifeline/Link-Up on tribal lands. Specifically, GRTI urges the FCC to adopt outreach requirements for carriers serving tribal lands that are consistent with the FCC's Statement of Policy on Establishing a Government-to-Government Relationship

with Indian Tribes.²¹ Adopting such outreach requirements would ensure that the unique interests of each respective tribal community would be served. In this way, information regarding Lifeline/Link-Up could be made available in a manner that is relevant and appropriate for each respective tribal community, and thereby, boost the enrollment of eligible consumers on tribal lands.

These additional measures should require carriers serving tribal lands to perform the following outreach services:

- Inform customers about Lifeline/Link-Up at the time customers request service from the carrier.
- Consult with tribal governments to coordinate outreach efforts that are appropriate for the consumers of each tribal community.
- Provide tribal governments with posters, flyers and similar material that clearly explain the benefits of the Lifeline/Link-Up programs and how low-income consumers can apply for Lifeline and Link-up so that such information can be made readily available at community meetings and community centers of interest.
- Place informative adds in tribal newspapers.
- Send all customers annual notices of how to apply for Lifeline.

The Commission should take appropriate action against those carriers that fail to consult with tribal governments located within their service areas and fail to provide adequate outreach to consumers on tribal lands.

Currently, the Commission's rules do not provide telecommunications carriers with an incentive to aggressively promote the Lifeline/Link-Up programs to low-income

²¹ Federal Communications Commission, *Statement of Policy on Establishing a Government-to-*

consumers on tribal lands. Therefore, GRTI believes that the FCC should require telecommunications carriers serving tribal lands to report on their outreach efforts at least once a year.

4. Conclusion

In spite of the opportunities provided by the recently enhanced Lifeline/Link-Up programs, enrollment in these programs remains lower than what it should be— especially when considering that the vast majority of households on tribal lands have incomes well below the federal poverty threshold. GRTI urges the Commission to modify the eligibility criteria for the Lifeline/Link-Up programs on tribal lands to include:

- Households that are eligible for federal means-tested programs, but do not actually participate in them.
- Household income as an additional means to qualify for Lifeline/Link-Up on tribal lands. In this respect, GRTI urges the Commission to expand Lifeline/Link-up eligibility on tribal lands to include consumers with incomes up to 150 percent of the federal poverty threshold.
- Self-certification of eligibility, without providing proof of income.

GRTI also urges the Commission to expand Link-Up support from \$100 to \$200 and adopt additional outreach requirements to ensure that carriers serving tribal lands consult with local tribal governments to develop appropriate methods of promoting increased consumer enrollment in Lifeline/Link-Up on tribal lands.

Respectfully submitted,

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